

News Release: October 10, 2005

Hotchkiss Insurance Agency, Inc. Announces Launch of Texas Home Builders Workers' Compensation Purchasing Group

DALLAS—Hotchkiss Insurance Agency, Inc. (HIA) announced its newest “open” workers’ compensation purchasing group today: the Texas Home Builders Workers Compensation Group (THB-WC Group). The group includes home builders for whom specific protective legislation was established in 1991. The legislation specifies that in Texas, a home builder may provide workers’ compensation and employers’ liability insurance for their own employees without becoming unduly responsible for workers’ compensation coverage for subcontractors or employees of subcontractors.

The Texas Department of Insurance (TDI) allows employers in similar businesses to form purchasing groups to help reduce their workers’ compensation insurance premiums. Administration of the new THB-WC Purchasing Group will be handled by Hotchkiss Insurance Agency, Inc. (HIA). Underwritten by Texas Mutual Insurance Company, HIA designed the program as an “open” program which allows any Texas insurance agent to place a qualifying client into the group. All eligible policyholders accepted into the group receive an immediate premium discount of 10.5%.

Texas Mutual gives each group member a premium discount based on the group’s premium volume. Members may also qualify for *Texas Mutual*[®] individual and a group dividend. A safety program with a comprehensive safety manual, designed specifically for the home builder, is delivered to every policyholder in the THB WC Purchasing Group. This manual was designed by an HIA risk manager specifically for the home building industry.

“As a 20-year Texas Home Builder insurance program manager, I am excited to partner with the leading providers of workers’ compensation insurance in Texas to help the home builder obtain all of the benefits available to them in a workers’ compensation program while delivering savings in their premiums and safety in their workplace.” said Doug Hotchkiss, president of HIA.

“Our online quoting capabilities and our expertise in the home building industry create a unique launch pad for this Workers’ Compensation program. HIA’s commitment to training other agents and allowing statewide access to the program, will bring the benefits to all home builders almost immediately.” announced Anne Davis, vice president of sales & marketing for HIA/Dallas. “We are encouraged by the support we have received from the local homebuilder associations.”

For more information on the Texas Home Builders Association Workers’ Compensation Group or to request a quote, contact Anne Davis via email at adavis@hiainc.com or (972) 512-7728. For a list of qualifying TDI classification codes for the Texas Home Builders Association Workers’ Compensation Group, or for more information about Hotchkiss Insurance Agency, Inc. or to request a proposal for your business affinity group, go to www.hiainc.com or send your inquiry to adavis@hiainc.com.

Texas Mutual Insurance Company notes that dividends are not an automatic benefit of coverage, and TDI must approve all dividend plans.

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